

STATES OF JERSEY



DRAFT LONG-TERM CARE (JERSEY) LAW 2012 (APPOINTED DAY) ACT 201-

**Lodged au Greffe on 29th October 2013
by the Minister for Social Security**

STATES GREFFE



Jersey

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REPORT

The Island faces a substantial increase in both the number and proportion of older residents over the next 30 years, with care costs predicted to more than double by 2044. In response to this issue, in July 2011, the States approved the Long-Term Care (Jersey) Law 2012. Details of the operation of the proposed scheme have now been set out in Proposition P.99/2013, which will be debated before this Act is considered.

The introduction of a Long-Term Care (LTC) scheme is designed to share long-term care costs more fairly across the community; and the scheme will establish a clear and simple process to help individuals and their families understand the choices available and plan for the cost of long-term care. The proposed new scheme will provide financial support to Jersey residents who have significant long-term care needs and who are being cared for either in their own home or in a care home.

As set out in the report accompanying P.99/2013, it is proposed to introduce the long-term care benefit from 1st July 2014. In advance of that date, the long-term care fund itself must be set up in order that funds are available to make benefit payments from 1st July.

Part of the initial funding for the long-term care fund will be transferred from existing underspent budget in respect of 2013 from the Social Security departmental cash limit. It is therefore proposed to bring into force those parts of the Long-Term Care Law that create and regulate the fund itself before the end of 2013. The remaining parts of the Long-Term Care Law will come into force on 1st July 2014.

The Long-Term Care Law is divided into 6 parts:

Name of part	Description	Proposed date of coming into force
1 – Introductory	Defines terms used in the Law.	The day after the Act is made
2 – Source of funds	Sets up the LTC Fund and describes how money is paid into and out of the Fund.	The day after the Act is made

Name of part	Description	Proposed date of coming into force
3 – Entitlement to benefits	Sets out the eligibility conditions to claim the benefit, provides for various types and amount of benefit, the assessment of long-term care needs and the approval of care homes and care packages.	1st July 2014
4 – Claims and payments of benefit	Provides for administrative rules in respect of benefit claims and makes provision for an appeal process as well as creating offences under the Law.	1st July 2014
5 – Administration of the Fund	Provides for annual accounts and 3 yearly actuarial reviews to be undertaken, as well as powers to recover money due to the Fund.	The day after the Act is made
6 – Miscellaneous and closing	Article 16 allows Regulations and Orders to be made under the Law.	The day after the Act is made
	Article 17 provides for the Schedule to the Law. Since the Long-Term Care Law was approved by the States in 2011, the proposal for the collection of contributions has changed. The Schedule to the Long-Term Care Law provides for changes to existing Schedules 1A and 1B within the Social Security Law. The current proposal is to add new Schedules 1C and 1D to the Social Security Law, and these Schedules are now set out in the Social Security (Amendment of Law No. 6) (Jersey) Regulations (<i>see P.138/2013</i>).	1st July 2014 Paragraphs 3b, 5 and 6 of the Schedule will not be brought into force. These paragraphs are no longer needed as alternative proposals have been included in the proposed changes to the Social Security Law. Contributions will be collected from January 2015. However, this Schedule will come into effect in July 2014 in line with changes to the Social Security Law to allow effective rate notices to be issued in the autumn of 2014.
	Article 18 gives the name of the Law and explains when the Law will come into force.	The day after the Act is made

Financial and manpower implications

The development costs of the LTC scheme are being met through existing departmental budgets. Ongoing costs will be met through the LTC Fund itself. It is estimated that an additional 9.5 FTE will be required to administer the new scheme.

Explanatory Note

This Act gives effect to the Long-Term Care (Jersey) Law 2012 (the “Law”).

Parts 1, 2, and 5 and Articles 16 and 18 of the Law will come into force on the day after the day this Act is made. Part 1 is the interpretation provision. Parts 2 and 5 make provision for the setting up and administration of the Long-Term Care Fund. Part 2 provides for an amount, known as a Long-Term Care Fund allocation, to be paid into the Fund. Article 16 makes provision for the making of Regulations and Orders. Article 18 sets out the title of the Law and makes provision for the Law to come into force by an Appointed Day Act.

Parts 3 and 4 will come into force on 1st July 2014. Parts 3 and 4 make provision for long-term care benefits. Part 3 sets out how entitlement to benefits arises and makes provision for approving care homes and care packages. Part 4 makes provision for how claims for benefit are dealt with and for payment of benefits.

Article 17 gives effect to the Schedule and will come into force on 1st July 2014 to the extent that it gives effect to certain specified provisions. The Schedule amends the Social Security (Jersey) Law 1974 to make provision for the Long-Term Care Fund Allocation to be paid into the Long-Term Care Fund. These provisions will come into force on 1st July 2014. The Schedule also amends the Social Security (Jersey) Law 1974 with respect to how long-term care contributions, which make up the Long-Term Care Allocation, are calculated. However the provisions relating to the calculation of long-term care contributions are not brought into force as they are intended to be repealed and replaced by provisions in the Social Security (Amendment of Law No. 6) (Jersey) Regulations 201- (P.138/2013).



Jersey

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Made [date to be inserted]
Coming into force [date to be inserted]

THE STATES, in pursuance of Article 18 of the Long-Term Care (Jersey) Law 2012¹, have made the following Act –

1 Commencement of the Long-Term Care (Jersey) Law 2012

- (1) The following provisions of the Long-Term Care (Jersey) Law 2012² shall come into force on the day after the day this Act is made –
 - (a) Parts 1, 2 and 5; and
 - (b) Articles 16 and 18.
- (2) The following provisions of the Long-Term Care (Jersey) Law 2012 shall come into force on 1st July 2014 –
 - (a) Parts 3 and 4; and
 - (b) Article 17, but only to the extent that it gives effect to paragraphs 1, 2, 3(a) and 4 of the Schedule.

2 Citation

This Act may be cited as the Long-Term Care (Jersey) Law 2012 (Appointed Day) Act 201-.

¹ *L.21/2012*
² *L.21/2012*